

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 06/25/24 M&C FILE NUMBER: M&C 24-0542

LOG NAME: 13P AMEND FASTENAL MRO WATER CP

SUBJECT

(ALL) Authorize Amendment to Cooperative Agreement with Fastenal Company to Increase the Annual Amount by \$111,000.00 for a New Total Annual Amount Up to \$661,000.00 for Facility Maintenance, Repairs, and Industrial Supplies for All City Departments

RECOMMENDATION:

It is recommended that the City Council authorize an amendment to the Cooperative Agreement with Fastenal Company to increase the annual amount by \$111,000.00 for a new total annual amount up to \$661,000.00 for facility maintenance, repairs, and industrial supplies for all City departments.

DISCUSSION:

On July 18, 2018, the City entered into an agreement with Fastenal Company under TXMAS Cooperative Agreement No. TXMAS-18-51V07 for an amount up to \$100,000.00 (City Secretary Contract (CSC) No. 55887). On June 2, 2020, Mayor and Council Communication (M&C) 20-0352 authorized amending the contract to increase the annual spending authority up to \$200,000.00. On March 2, 2021, M&C 21-0139 authorized amending the contract to increase the annual spending authority up to \$300,000.00. Amendment No. 2 to CSC 55887 was executed on July 8, 2022 to increase the annual spending authority up to \$400,000.00 using the administration change order provided by M&C 21-0139. On July 1, 2023, Council approved M&C 23-0458 to authorize amending the contract to increase the annual spending authority up to \$550,000.00.

Based on current spending, staff is now requesting additional spending authority with Fastenal Company to allow the Water Department to purchase additional equipment to perform sewer line inspections to assess which water lines and pipes need to be replaced or repaired. Staff requests that City Council authorize an increase to the spending authority under the contract by an additional \$111,000.00 to accommodate this increased, necessary spending. The new total annual amount of the agreement would be \$661,000.00.

FUNDING: The maximum amount allowed under this agreement Citywide will be \$661,000.00; however, the actual amount used will be based on the need of each department and available budget.

AGREEMENT TERM - The current agreement term is from July 1, 2023, to June 30, 2024 with no renewal options.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

COOPERATIVE PURCHASE - State law provides that a local government purchasing an item under a Cooperative Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for the purchase of the item.

DVIN: An MBE/SBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

The Cooperative Agreement serves ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Fastenal Company

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

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